

70/ an important instrument in public security work. Military authorities are particularly active along the coast where attack from Formosa is possible. Thus, Yeh Fei, present governor of Fukien, is also the commanding general of the Fukien military district and of the 10th Army Corps of the Chinese Red Army, which is deployed opposite the Formosa strait. The Shanghai Military Control Committee, with Ch'en I, commanding general of the old Third Field Army, as its head, has jurisdiction in matters of military and public security.

625 2. Public Security in Rural Areas During
 • 687 the land reform, the regime relied upon the Peasants' Association, the militia, and the People's tribunals for the elimination of landlords and "despots" and the enforcement of decrees. According to an order of the East China Military and Political Committee, concerning the punishment of landlords,²¹ issued in September 1950, those who were accused of falsifying reports of property, the destruction or sale of property, the killing of cattle, and the destruction of farming implements were given one year's imprisonment. Creating rumors with a view toward misrepresenting government policy, distribution of land without the authority of the Peasants' Association, and other acts tending to lead to the disruption of rural government were crimes justifying a sentence of at least five years' imprisonment. The death

21. Chung-yang Ts'ai-ching Cheng-ts'e Fa-ling Hui-pien [Compendium of Law and Regulations Concerning Financial and Economic Policies of the Central Government], Peking, Financial and Economic Committee of the Gov't, Adm. Council, 1952.

- 625 sentence was given to those who attempted to
• 687 overthrow the rural government, murdered
Communist cadre, sabotaged factories, or engaged in banditry.

Directives from the East China Region with regard to the control of landlords after land reform are not available to us; however, the directives on the same subject issued by the Central-South Military and Political Committee may serve as illustrations of the measures taken by Communist authorities in this region. ²²

Landlords sentenced to imprisonment for five years to life were sent to Reform-through-labor camps. Those receiving sentences of less than one year were placed under the control of the hsiang government, denied the right to travel and the right to receive guests, and were compelled to engage in "productive activities."

- 625 Another measure taken at the conclusion of and reform was the establishment of security committees in the rural areas to organize mass participation in public security work. ²³ The committee is established in each village and has three to eleven members elected at mass meetings and chosen from among activists in various organizations. Under the committee, public security teams of three to five activists are formed to establish a network in the village and in local organizations. In collaboration with the Party, the judicial agencies, and the mediation committees

22. Yangtze Daily, Aug 20, 1952, p.1.

23. Regulation on committee, issued by Ministry of Public Security, ibid., Aug. 11, 1952, p. 1.

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671 Another important decree issued at the time of the Three-Anti Campaign pertains to the penalties for acts of corruption. Personnel working in government offices, enterprises, schools, and other state organizations who are accused of corruption, and non-governmental workers who are accused of offering bribes or aiding government workers in acts of corruption are subject to punishment under this decree. Crimes held to be instances of corruption are many and the punishment is severe. The decree also grants to individuals the right to accuse others and the protection necessary to avoid retaliation.

B. Decrees for the Suppression of Counter-revolutionaries

- 687 Counterrevolutionaries include all persons whose activities are inimical to the interests of the state. Specifically the category may include "bandits" of all kinds, including landlords, "despots," spies former Nationalist officers engaging in counterrevolutionary activities, and members of various secret societies.

The provisional regulation for the suppression of landlords who violated land reform policies, issued by the East China Military and Political Committee in September 1950, was the first counterrevolutionary decree of its kind. Landlords who resisted the execution of the agricultural law were subject to this order. "Resistance" included the "spreading of rumors," the illegal sale of land, bribery of officials, and other acts

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- 687 deemed counterrevolutionary. Landlords and other persons who were guilty of armed revolt, robbery, assault, arson, and the sabotage of irrigation projects were liable to penalty, and could be imprisoned for as much as ten years or put to death. The county People's tribunal was authorized to impose sentences up to five years' imprisonment; the provincial People's court was to approve death sentences or imprisonment for over five years. No appeal of any kind was permitted in these cases.

A regulation on the suppression of counter-revolutionaries⁴⁰ was first issued by the Government Administration Council in February 1951. Based on the spirit of Article 7 of the Common Program, the regulation announced the determination of the Communist regime to punish all counterrevolutionaries and other criminals and to impose upon them forced labor service. Counterrevolutionaries were subject to trial both by the People's courts and by the military tribunals. Their political rights were forfeit, their properties confiscated. In August 1951, a directive issued by the East China Military and Political Committee required former members of political parties, including the Kuomintang, the Chinese Youth Party, and the Democratic Socialist Party, former intelligence personnel under the Nationalists, and officers above the rank of captain, to register with public security agencies.⁴¹ Their political rights were to be withheld for a period of time according to the degree of their past activities, and they were to be subject to political surveillance.

40. Liberation Daily, Feb. 23, 1951, p. 1.

41. Ibid., January 5, 1951, p. 1.

- 687 Accompanying the regulation for the suppression of counterrevolution was a directive⁴² issued by the East China Military and Political Committee in March 1951. It provided for the trial of bandits and Nationalist-armed troops from Formosa by military tribunals and the trial of counterrevolutionaries and spies by military control committees and People's courts. The directive further provided for control of the registered former Kuomintang members and officers and the landlords in the rural areas.

Control of counterrevolutionaries was made possible by at least two laws published by the regime, the law of control of counterrevolutionaries and the regulations governing "labor service for reform." The July 1952 law was issued by the Ministry of Public Security of the Government Administration Council. According to it, control of counterrevolutionaries was the responsibility of the People's court or the public security agencies at the county and municipal levels. In the villages, hsiang and ch'u governments might initiate this control, subject to approval of the public security agencies at the county level. In a similar manner, sub-stations in the city also might initiate control, subject to the approval of public security sub-bureaus. Persons under surveillance were deprived of political rights, including the right to vote and the right to travel. The period of surveillance was three years or less. During this period the individual was compelled to work in forced-labor camps.

The regulations governing "Labor service for reform," issued by the Government Administration Council in August 1954, provided a detailed

- 687 scheme for the establishment of forced labor throughout China.⁴³ According to the scheme, public security agencies had the chief responsibility for the management of this centralized scheme.

CONCLUSION

The use of terror is inherent in a dictatorship, where subordination to a single will is required. The imposition of a single will upon an entire society is certain to meet opposition; the more rapid and drastic the change, the stronger the resistance. To crush this resistance and to maintain public order and safety in the East China region, terror and violence are employed. The use of terror and force logically increases the power of the People's courts and the public security agencies.

The increase of counterrevolutionary activities in 1954 and 1955 has increased the problems confronting the Communist regime, particularly since East China has long been an area of unrest and disorder. Since East China is more easily influenced from abroad, the maintenance of "public order and safety" is a very urgent matter. The measures taken in this region are drastic and the control rigid, and the suppression of opposition is a long and harsh campaign. Indeed the state of public order in the East China Region is far from satisfactory. The recent attempt to force one million people to leave the city of Shanghai is evidence of renewed Communist activity in an effort to control growing public disorder.

43. People's Daily, Sept. 7, 1954, p. 2.

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I. SUPPRESSION OF COUNTERREVO- LUTIONARIES

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The term "counterrevolutionaries" has been loosely defined by the Communists. It may include bandits, landlords, armed resistance groups, spies, or any person whose activities are deemed detrimental to the Communist cause. The Communist authorities have deliberately avoided a precise definition; any person considered undesirable and harmful to the Communist regime can be accused of counter-revolutionary activity and subject to liquidation.

A. Extermination of "Bandits"

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The term "bandit" is broadly used by the Communists to identify any armed resistance, either from the underground forces or from professional armed robbers. However, prior to 1952, this term was generally applied to remnants of Kuomintang forces on the Mainland and to long-active armed bands.

Immediately after the Communist seizure of power in the East China Region, military campaigns were launched to exterminate these armed bandits. The campaigns were vigorously carried out and rapidly concluded. At the end of 1949, all provinces in the region, with the exception of Fukien, announced the elimination

669 robberies, and the other, Shui Huo Pang, was
727 similarly active.⁸

B. Landlords

687 At the conclusion of land reform, many landlords (including those who had received sentences of less than one year's imprisonment) were placed under the surveillance of the local hsiang government and the security agencies. They were either given a small portion of land to work or were sentenced to forced labor. Those landlords who were classified as counter-revolutionaries (within the meaning of the term as provided in the law for the control of counter-revolutionaries⁹ issued by the Ministry of Public Security of the Government Administration Council in July 1952) were deprived of their political rights and were subject to surveillance for a period of at least three years. These landlords probably constituted the major portion of forced labor battalions in Communist China.

After the land reform, many peasants and Party members were classified as "new rich," and such were regarded as "potential landlords." These people were accused with the collaboration of former landlords, of attempting to seize

8. Jen-min Jih-pao [People's Daily], Nov. 18, 1954, p. 3.

9. Text of the regulation in Liberation Daily, Feb. 23, 1951, p. 1.

- 687 control of the rural government and of attempting to destroy the agricultural producers' co-operatives. One such case¹⁰ was reported in the province of Shantung. Some 20 per cent of the peasants in that province had joined the agricultural producers' co-operatives. According to the Communist report, landlords had shrewdly perfected their infiltration technique; they either bribed Party cadres and responsible people in the co-operatives or employed collaborators to capture the key positions in these organizations. After infiltration, they spread rumors among the peasants in an effort to disorganize the co-operatives and they falsified co-operative accounts and took other action to disrupt the organizations. "Landlords" were accused of killing cadres and activists, setting fires, stealing and killing of cattle, and destroying farm implements.

C. Suppression of Nationalist Elements and Espionage Activities

The Communists launched in the East China Region the longest and the most ruthless suppression of Nationalist elements and spies in the nation. Ever since their seizure of power, the Communists unceasingly singled out

10. People's Daily, Dec. 15, 1954, p. 1.

- 687 these people for suppression. Cases involving former Nationalist personnel, spies, and other counterrevolutionaries were reported almost every day; the responsibility for suppression of these elements rested upon the public security agencies, the military control committees in the cities, and the People's courts. The nationwide Suppression-of-Counterrevolutionaries Movement of 1951 climaxed the measures already taken in the region.

1. Suppression-of-Counterrevolutionaries Movement of 1951. Unlike previous measures to suppress counterrevolutionaries, the 1951 movement was a mass movement. In the city of Shanghai, the campaign was divided into four stages¹¹ -- mass meetings, accusations, the signing of patriotic agreements in factories, schools, and among the urban inhabitants, and the organization of counterrevolutionary committees in key areas and streets in the city, including the suburbs. The holding of mass meetings served to disseminate propaganda. After mass emotion was aroused, public and private accusations were made. During the first four months of the movement in Shanghai, 30,000 such accusations were received.¹²

11. Liberation Daily, May 20, 1951, p. 1.

12. Ibid., Aug. 29, 1951, p. 2.

- 687 The biweekly publication in local newspapers of the names of several hundred "counter-revolutionaries" who had been arrested continued for several months.¹³ The signing of patriotic agreements was again a propaganda device. Through this process, the suppression campaign was carried to factories, schools, and other organizations of society. Finally, the organization of counterrevolutionary committees completed the scheme. As of August 1951, some 1,061 committees had been organized.¹⁴

The Communists deliberately exaggerated the subversive activities of "counterrevolutionaries." The Communists placed the blame for all of the failures of the regime upon so-called counterrevolutionaries, thus arousing mass hatred against them. As of November 1951, some 14,647 cases were reported in East China.¹⁵ In the city of Shanghai, 43 per cent of the cases involved armed resistance, murder, and robbery; 13.5 per cent, spreading rumors and inciting to riot; and 24.5 per cent, operating secret radios and acts of sabotage in factories.¹⁶

2. Former Nationalist Troops and Underground Units. "Counterrevolutionaries"

13. Ibid., March-Sept. 1951.

14. Ibid., Aug. 30, 1951, p. 1.

15. Ibid., Nov. 28, 1951, p. 3.

16. Ibid., May 5, 1951, p. 1.

- 687 is a term used to describe members of the Nationalist armed forces, officials of that government, and foreign and Kuomintang spies. The remnant forces of the Nationalist armed forces, particularly those in the provinces of Chekiang and Fukien, were the first target of the "bandit" extermination campaign in 1949-50. The Nationalist troops under the former governor Chou Lei in Chekiang and Nationalist units in Fukien were driven away from the Mainland during 1949-50. It was reported by the Communists¹⁷ that 10,000 members of the Kuomintang forces withdrew to the off-shore islands 687 in 1950. Following the evacuation of the Main-726 land, the Nationalists launched a series of assaults along the coast. During 1950, as announced by the Communists, Nationalists made 209 coastal assaults in the East China Region.¹⁸ Guerilla fighting on the Mainland increased in 1951; the Nationalists on Formosa estimated¹⁹ that 1,074 "battles" were fought by guerilla forces throughout the nation in that year. After 1952, coastal assaults seemed to decrease; Nationalist sources reported²⁰ a

17. Su Yü's report, ibid., Nov. 27, 1951, p. 1.

18. Li Shih-Ying's report, ibid., March 18, 1951, p. 1.

19. China Handbook 1952-53, Taipeh China Publishing Company, 1953, pp. 191-93.

20. China Handbook 1954-55, 1955, pp. 263-65.

687 total of 444 engagements on the Mainland
726 throughout 1953. Recent reports made by
deputies of the National People's Congress before
the Second Session of the National People's
Congress in July-August 1955 indicated the
existence of a number of underground forces
operating in the province of Chekiang.²¹
These units were identified as "Kiangsu-Chekiang
Jen I Anti-Communist Save-County Column,"
"Chekiang People's Chung I Anti-Communist
Save-County Column," "Chinese Anti-Soviet
Anti-Communist Chung I Save-the-Country
Corps" and so on. Although their size is small,
their increasing activities do pose a threat to
the Communist regime.

687 3. Nationalist Spies. Communist
effort toward the extermination of Kuomintang
intelligence workers was most thorough in East
China, particularly in Shanghai. In 1949-50,
some 2,000 espionage cases were reported in
the East China Region, and more than 10,000
people were arrested.²² In Shanghai alone,
900 espionage cases were reported and more
than 4,000 people, accused of being Kuomintang
intelligence workers, were arrested.²³ In

21. People's Daily, July 4, 1955, p. 3.

22. Liberation Daily, Nov. 21, 1950, p. 1.

23. Ibid., April 19, 1951, p. 2.

- 687 1951, the Communists required the registration of all former Kuomintang officials and army officers with the public security agencies as a measure to check subversive elements.²⁴ Those who complied were placed under the surveillance of the public security agencies. By April 1951, a few months after the announcement of the regulation governing registration, 23,000 members of the Kuomintang were registered in Shanghai. Although the Communists' efforts at suppression were severe, the elimination of espionage activities were far from complete. The Communists announced at the conclusion of these suppression campaigns that, of the cases prosecuted in East China, 75.5 per cent dealt with bandits and despots, and only a small percentage concerned key intelligence workers.²⁵ Probably a large number of spies are still at large. The extermination of espionage is a long and tedious process, in spite of the drastic measures taken by the Communist regime.

4. Foreign "Intelligence Agents". Closely connected with the suppression of the Kuomintang

24. Text of the regulation, ibid., Jan. 7, 1951, p. 2.

25. Lo Jui-ch'ing's report (Minister of the Ministry of Public Security of Communist China), People's Daily, Oct. 1, 1951, p. 3.

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- 687 intelligence system on the Mainland is the suppression of foreign "intelligence agents." During the 1951 campaign, church groups and foreign missionaries were accused of engaging in espionage. The Vatican representative to Nanking, Antonio Riberi, was expelled from Communist China after having been charged with espionage. Many foreign church leaders were also arrested. In Shanghai, Suppo Michele and Count Makco, Italians, were arrested for the same charge.²⁶ A Catholic organization, the Sheng Mu Chün [Legion of Mary], was singled out for attack.²⁷ Members of that organization were required to register and were subject to investigation by the public security agencies, and its leaders in Shanghai, W. A. McGrath, G. Predost, and E. Gabrial, were subsequently imprisoned by the Communists.

5. Sabotage. Sabotage cases involving the destruction of factory properties, appropriation of economic information, the spreading of rumors among the workers, and the organization of workers for strikes and other acts of sabotage were frequently reported.

26. Arrests of missionaries are reported in Liberation Daily, Sept. 4, 1951, Oct. 6, 1951.

27. Ibid., Oct. 8, 1951.

- 687 During 1950-52 sabotage cases were combatted by the enforcement of union control and the organization of security committees and safety teams. With the launching of the first Five-Year Plan in 1953, regulations on safety and labor discipline were introduced.²⁸ "To observe labor regulations, to guard state property, to safeguard economic information, and to observe all safety and security regulations" were the duties of every worker.

Such measures to safeguard factories from sabotage, however, failed to prevent sabotage activities in these organizations. Shih Liang, Minister of Justice of Communist China, speaking at the Second Session of the First National People's Congress in July 1955, reported²⁹ a total of 364,604 cases of sabotage throughout China between January 1954 and May 1955. In Shanghai, businessmen, were charged with passing security information to Nationalist agents in Hong Kong. A government petroleum station was sabotaged.³⁰ Arson was reported in Wu-hu, Anhwei Province, where

28. Text of the Regulation on labor discipline applied in state-owned enterprises, People's Daily, July 14, 1954, p. 2.

29. Full text, ibid., p. 2.

30. Ibid., p. 2.

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- 687 part of the Wu-hu textile factory was burned to the ground.³¹

Although the Communists optimistically declared the conclusion of the Suppression-of-Counterrevolutionaries Movement in 1951, counterrevolutionary activities did not cease in East China. After a lapse of only two years, warnings were repeated by Communist authorities. The convening of the Second Session of the National People's Congress in July-August 1955 reaffirmed the determination of the Communists to renew their campaign against counterrevolutionaries. Shih Liang reported that cases of counterrevolutionary activity were increasing. During 1954, such cases in the nation as a whole accounted for only 1.5 per cent of all criminal cases, but in 1955 the percentage had increased to 4.8.

D. Secret Societies

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575 That secret societies are rebellious organizations representing resistance to social change determines their fate under Communist rule. Since secret societies, according to the Communists, are apt to be used by the

31. Ibid., p. 2.

- 687 Kuomintang and other "foreign" elements for
575 acts of counterrevolution, they should be regarded as counterrevolutionary elements.

The East China Region, because of its complicated social organization, is a natural birthplace for secret societies. More than forty major secret societies in East China have been outlawed,³² and the most active secret societies, I Kuan Tao, Chiu Kung Tao, Lao Mu Tao, Ta Tao Hui, T'ien Men Tao, and Fo Chiao Hui, have become the main target of Communist suppression campaigns.

Leaders of secret societies were accused of counterrevolutionary activity and the societies were forced to disband. In 1950 in the province of Shantung,³³ 502 leaders were jailed, 2,425 members were registered, and 725 meeting places were destroyed. More than 100,000 members were forced to withdraw. Similar conditions were reported in North Anhwei where, in the same year, 30,000 members withdrew from secret societies.³⁴ The great number of withdrawals suggests how strong the

32. Liberation Daily, July 15, 1951, p. 1.

33. Ibid., March 18, 1951, p. 3.

34. Ibid., Jan. 28, 1951, p. 3.

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687 influence of secret societies must have been.
575 These societies will not be easily eliminated even in areas where the Communists have ruled the longest.

While the Land Reform Movement was used to destroy the secret societies in the rural districts, various measures to achieve similar objectives were taken in the cities. The case of Wang Sung-t'ao³⁵ was publicized as an example of an individual charged with being both the leader of a secret society and a spy. Many such leaders were either arrested or evacuated to the rural areas as "despots and gangsters."

687 Still another suppressive measure taken
575 by the Communists was directed at certain
467 labor organizations where the influence of secret societies was the strongest. Secret societies controlled labor organizations such as Ch'ing Pang, Hung Pang, I Kuan Tao, Huang Niu Tang, Ti Hstleh T'uan, and Lao Kun Tzu. In Shanghai alone 73 of these organizations were known to exist.³⁶ To eliminate their influence, the Communists placed these labor organizations under state-owned companies established in this region.³⁷ Wheelbarr and

35. Ibid., April 12, 1951, p. 2.

36. Ibid., Sept. 19, 1951, p. 2.

37. Directive on the East China Military and Political Committee, ibid., Aug. 30, 1951, p. 1.

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467 rickshaw pullers, stevedores, longshoremen, and garbage carriers were organized into unions under strict Communist control. The organization of these service-men was a business transaction between the private owner and the state, similar to that of the "democratic reform movement" in all labor organizations. Three distinct steps were taken: working teams were organized and mass sentiment was aroused for the destruction of "feudal" systems and reactionary elements; preparations were made for the organization of moving companies; and finally the organization and consolidation of all moving companies was completed. During the first stage, the old trade union leaders and the "feudal" bosses were tried, and the activists were encouraged. The qualifications of the workers were checked; "undesirables" were either forced to change their occupations or were evacuated to the rural areas. And finally, qualified workers were organized under new leadership into companies and battalions similar to that of the army.

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575 Despite the various measures taken by the Communists, secret societies continued to flourish. Recent reports indicate that their activities are spreading to other parts of China. In the county of Ho-tse, Shantung Province, seven self-styled "emperors" of secret societies were reported active during 1954. Although secret societies base their philosophy on superstition and have often incorporated into their rituals many harmful practices,

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687 in today's world, when the individual feels his
575 identity threatened, the appeal of ritual to a
depressed people cannot be underestimated.

II. CORRUPTION, WASTE AND THEFT

A. Corruption

661 In large cities and business centers in
687 the East China Region corruption flourishes.
Immediately after the seizure of power in
urban areas, the Communists launched a series
of campaigns against corruption, involving
bribery, embezzlement, and misappropriation
of funds. Jao Shu-shih, chairman of the East
China Military and Political Committee, in
his speech at the launching of the Three-Anti
Campaign in December 1951, revealed how
seriously corruption threatened the East China
Region.³⁸ From January to November 1951,
some 179 corruption cases, involving a total
of 288 billion yuan (US\$ 14,400,000) were
brought before the People's courts and the
People's procuratorates in the East China Region.
Other charges of corruption, involving 1,242
billion yuan (US\$ 62,100,000) were tried from
June 1950 to November 1951 by the People's
Control Commission of the East China Military

38. Full text, ibid., Dec. 30, 1951, p. 1.

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661 and Political Committee. Among the 615
687 members of the East China Military and
Political Committee involved in these cases,
470 were from government financial and
economic agencies, 90 were from the political
and legal departments, 29 from the educational
and cultural departments, and 26 were from
mass organizations. Jao also warned of the
appearance of "bourgeois concepts" among
governmental personnel, particularly among
the Communist cadres. These people were
said to regard the bourgeois tradition as
"liberal" and "dignified" and thought the
Communist ideology "conservative and narrow-
minded." Hence, to entertain friends and to
pay for gifts with official funds were defended
as acts of "revolutionary love."

Many cases of corruption, waste, bureau-
cracy were exposed during the Three-Anti
Campaign. In the factories under the management
of the Department of Industry of the East China
Military and Political Committee, 157 persons
were found guilty of corruption (involving 45
billion yuan, US\$ 2,250,000) in 1951.³⁹ In
the Department of Trade, 186 corruption cases,
involving 10 billion yuan, were discovered.
In other provinces, corruption cases were no

39. Ibid., Dec. 28, 1951, p. 1.

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661 less serious. A single case uncovered in the
687 Shantung Construction Building Company, a state-owned company, involved 42 people and over 7 billion yuan.⁴⁰ In both the departments of Forestry and Finance under the Shantung Provincial Government, bribery, embezzlement, and misappropriation of funds involved large sums. The Department of Forestry was guilty of "banking" almost one and a half billion yuan, and the Department of Finance was accused of large-scale misuse of funds. In Fukien Province, corruption in the Bureau of Highways involved 60 billion yuan.⁴¹ Misuse of state funds was also reported. The monthly rent for dormitories for the personnel in the Bureau of Public Security of Shanghai amounted to one billion yuan.⁴² Likewise, the Shanghai branch of the People's Bank reported fifty instances of misuse of funds during the first half of 1951.⁴³

In the Shanghai Railway Administration Bureau, 7,600 people confessed to acts of corruption.⁴⁴ Two groups of high officials,⁴⁵

40. Ibid., Jan. 17, 1952, p. 1.

41. Ibid., Jan. 18, 1952, p. 1.

42. Ibid., Dec. 14, 1951, p. 1.

43. Ibid., Dec. 18, 1951, p. 2.

44. Ibid., Jan. 19, 1952, p. 1.

45. Ibid., March 2, 1952, p. 1; March 10, 1952, p. 1.

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661 members of the Party, were exposed. Li
687 YU, the secretary-general of the Shanghai
Municipal Government, Ts'ao Man-chih,
secretary of the Party Committee of the Shang-
hai Municipal Government, and five others
were accused of obstructing the Three-Anti
and Five-Anti campaigns. Yün I-ch'un, a
Party member since 1926 and head of the
East China Bureau of Information and Publi-
cation, was found guilty of conducting public
business for private profit. Wen Yang-ch'un,
the vice president of the Party school under
the East China Party Bureau, was found
guilty of a similar offense. Yeh Chien-ming,
the chief of the Shanghai Public Utilities
Bureau, Shih Chen, the deputy-mayor of
Tsinan, Shantung, and Chi Ming, the deputy-
chief of the Department of Public Security of
Shantung Province, were found guilty of
accepting bribes, embezzlement, and mis-
appropriation of funds.⁴⁶

During the Five-Anti Campaign, cases
of tax evasion and theft of state property were
exposed.⁴⁷ Wang K'ang-nien,⁴⁸ owner of a
pharmacy, was found guilty of cheating the
Chinese Communist forces in Korea by

46. Ibid., Jan. 10, 1952, p. 1.

47. Both Three-Anti and Five-Anti cam-
paigns were launched at about the same time.
Although they lasted only six months, they
were ruthlessly carried out and their impact
upon the region was great.

48. Liberation Daily, Feb. 7, 1952, p. 1.

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661 supplying them with medical supplies of poor
687 quality. Pan Pao-ts'ai⁴⁹ was found guilty of
bribing officials in order to steal property
from state-owned factories and firms. The
loss was placed at 50 billion yuan (US\$ 2,500,
000). Many firms were accused of cheating
the People's Liberation Army. The Mei Ling
Canning Company⁵⁰ was accused of profiting
from the sale of unedible fish. A firm in
Tsingtao,⁵¹ Shantung Province, in conjunction
with firms in Tientsin and Peiping, made a
profit of 199 billion yuan from a contract to
supply raincoats for the Army. These cases
will serve to suggest the extent to which
corruption and inefficiency exist in Communist
organizations. Reports indicate that corrup-
tion continues, and the Communists may be
impelled at any time to tighten controls and
to launch drives similar to the Three-Anti and
Five-Anti campaigns. ⁵²

B. Waste and Theft

687 Theft and waste are two of the "poisons"
singled out for prosecution in the Three-Anti
and Five-Anti campaigns. "Waste" can
include any act resulting in the loss or destruc-
tion of state property. Cases of industrial

49. Ibid., Feb. 20, 1952, p. 1.

50. Ibid., April 2, 1952, p. 1.

51. Ibid., Dec. 13, 1951, p. 1.

52. Ibid., Nov. 22, 1951, p. 1.

- 687 waste reported in 1951 show the loss of large amounts of money and the inefficiency of Communist industrial organizations. The East China Bureau of Textiles reported⁵³ a loss of 1, 500 billion yuan (US\$ 75, 000, 000) as the result of wasteful acts over a period of two years. The No. 1 Warehouse of the Shanghai Branch of the Committee on Inventory and Distribution of Supplies wasted materials worth 110 billion yuan as the result of improper storage.⁵⁴ Similar cases were cited elsewhere in this region. In Hangchow, for example, the Hangchow Railway Administration Sub-Bureau accumulated un-needed materials worth more than 300 billion yuan.⁵⁵ With the increase in industrialization, acts of waste were also on the upswing. Within a period of a few months in 1954 and early 1955, industrial organizations accumulated excess materials valued at 350, 000, 000 new yuan.⁵⁶ Other wastes, including food spoilage, mismanagement, and wasteful purchasing, are widely reported in all financial and trade organizations.

An accusation of theft is directed at those who are guilty of falsifying or defaulting upon contracts. During the Three-Anti and Five-Anti campaigns, businessmen were accused of

53. Ibid., Nov. 22, 1951, p. 1.

54. Ibid., Dec. 17, 1951, p. 1.

55. Ibid., Dec. 17, 1951, p. 1.

56. People's China, June 13, 1955, p. 1.

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687 stealing from the government and were severely punished. Large-scale theft was on the increase after the expansion of industrialization and the conversion of private-owned enterprises in 1953. Crime syndicates were discovered in major Chinese cities. One of these syndicates,⁵⁷ composed of more than 200 men, stole 120 tons of ship-building materials another syndicate, with 290 members, stole 4,000 airplane parts. The most serious activity of these syndicates is their collaboration with "underground factories" reportedly existing in Shanghai. Electrical supplies worth 80,000 yuan (new currency) have been stolen to supply these "underground factories," which sell their products on the black market.

III. TENSION AND PUBLIC DISCONTENT

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668 The tight control and centralization of
656 government economic and social activities lead to tension and public discontent. Discontent results from government restrictions, high taxation, and public obligations. The controls exercised by the Communists over all the Party, state, and mass organizations generate tension within these groups. Despite Communist attempts to seek popular support and to implant belief in a brighter future,

57. Ibid., May 18, 1955, p. 1.